

Center for Strategic and International Studies

TRANSCRIPT

Press Briefing

**“Previewing COP27 and U.S.-ASEAN, East Asia, and G20
Leaders’ Summits”**

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FEATURING

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Paige Montfort: Hello, everyone. Thank you so much for calling into our CSIS press briefing "Previewing COP-27 and the U.S.-ASEAN, East Asia and G-20 Leaders' Summit." My name, as our AT&T operator said, is Paige Montfort. And I'm the media relations manager here at CSIS.

We have a great lineup of experts with us this morning, or afternoon, or evening, depending on where you're calling in from. And I'm going to give you a brief overview of our agenda today before we get started, as folks continue to dial in.

So first we will have opening remarks, about six to seven minutes each, from four of our senior CSIS experts. They're going to be previewing these international engagements and looking ahead to possible outcomes. And I'll introduce those experts momentarily for your notes. And then, about halfway through our call, we'll go into a question-and-answer session, moderated by our AT&T operator, Brad. And then finally, within a few hours of the briefing concluding, we will have a transcript for all of you. If you're registered, we'll send that directly to your inbox. We'll also send it out by email blast, and it'll be on CSIS.org.

So without further ado, I'm going to introduce our experts in the order in which they'll be speaking. I'll flag that they won't be addressing the summits in chronological order today, but you can ask all of them about any of the summits you'd like to during the Q&A. So first we will have Matthew P. Goodman, CSIS senior vice president for economics. And he'll give an overview, as well, of all the trips, dates, locations, things like that. After Matt, we'll have Stephanie Segal, senior fellow in our economics program. And after that we'll have Gregory B. Poling, who is senior fellow and director of our Southeast Asia Program, as well as the CSIS Asia Maritime Transparency Initiative, or AMTI. And finally, Joseph Majkut joins us. He is director of the CSIS Energy Security and Climate Change Program.

So a great lineup of experts. And, with that, I'll turn it right over to Matt Goodman to get us started.

Matthew P. Goodman: OK. Thanks, Paige.

Good morning, everyone, or good evening. It's good to be with you again. So I'm just going to quickly run through the itinerary for the president's trip coming up.

He's first stopping in Sharm-el-Sheikh, Egypt, for the COP-27 Climate Conference on November 11th. Then on November 12th and 13th he'll be in Bali – I'm sorry, Phnom Penh, Cambodia, for U.S., ASEAN, and East Asia summits. And then he will move to Bali, Indonesia, on November 15th and 16th for the G-20 – the annual G-20 summit.

He will not be then going on to the APEC – the Asia-Pacific Economic Conference – in Bangkok on November 18th and 19th, which I'm going to come back to.

This is the president's second trip to Asia this year. He was in Japan and Korea in May. That's pretty significant by itself that the president would go twice to Asia so – and he's, obviously, had a number of conference calls as well and video calls.

So what I'll do is just talk about the kind of overall themes of the trip and then I'll turn to my colleagues for more detail on each of the stops and summits, as Paige said, in reverse order.

But I think three questions for President Biden are going to shape the ultimate assessment of this trip.

Number one, can he persuade allies and partners in the Indo-Pacific region that the U.S. is committed to the region and to them for the long haul. So that's the first question.

The second is can he rally major economies to tackle a plethora of global challenges, economic and otherwise.

And, third, what kind of relationship does the United States want to have with China. I think those are the three big questions and I'll sort of quickly take each of those in order.

Number one, on Asia or the Indo-Pacific, Greg, again – Greg Poling – is going to talk more in detail about the ASEAN-related events. But I just will say as a general matter, you know, there are doubts in the region about the U.S. commitment to the region. There sort of have always been, but I think they're particularly pronounced now because of the distraction of the – of the Ukraine crisis. There are concerns about the U.S. being too hawkish on China, although that's becoming a more nuanced point recently.

I think there's concerns in the region about what the U.S. is offering economically to the region since the U.S. pulled out of the Trans-Pacific Partnership on sort of first day of President Trump's term in 2017. For the last five years, I think, people have been waiting for a U.S. offering.

There is the Indo-Pacific Economic Framework, which I'll, again, come back to but not a traditional trade arrangement that the U.S. is leading or participating in, and I think the president's decision not to go to the APEC leaders meeting in Bangkok, I think, is also another reason for partners to be concerned.

He has, apparently, a personal reason he needs to be back in the States. But, you know, the U.S. is hosting APEC next year and so it's going to be noted, I think, in the region that he didn't show up.

And then, of course, there are concerns about U.S. politics, which – and this will be right in the wake of the midterm elections and, you know, various questions there.

But, on the other hand, in Asia I think the president does have some wind at his back. You know, China is stumbling in terms of economic growth and maybe in other ways in the perception of the region and it's scaring people in the region.

The U.S. economy is still remarkably resilient and the president's coming with, you know, a lot of legislative victories – investments in domestic economic growth and investments in clean energy transition and addressing climate change. So he's got that behind him.

You know, and then I'd say – I mentioned IPEF, the Indo-Pacific Economic Framework. I do think, you know, there's some interesting stuff in there. The fact that 13 partners in the region signed up to talk to the U.S. about a range of issues from supply chain resilience to clean energy infrastructure investments to, possibly, digital trade arrangements and other things, I think, is a strong demand signal for U.S. participation in the region. So that's good.

A lot more to say about the Indo-Pacific part of this story, but I'll move onto my second question, which was about rallying major economies. This is really the G-20 question. You know, I don't know what your list is, but my sort of short list of things that the world is dealing with right now includes slow or even negative growth, inflation and volatile currencies, food and energy crises, debt problems, pandemics – present and future – climate change, and then sort of the kinds of security issues that always come up in these gatherings, wherever they are. Proliferation, obviously in Asia there are concerns – new concerns about North Korea. And then obviously the war and the potential humanitarian crisis coming up this winter in Ukraine. So those are just – that's a short list of problems.

The G-20 would normally be the place that – representing 85 percent of the world's economy – would be a place that a lot of these things would be addressed. But the G-20 is not what it was in 2008-2009, when it was established as a leaders' forum. And, you know, we obviously are missing that sort of sense of common purpose. And both Russia and China are in the group, and so that obviously means it's very hard to get consensus. Stephanie, I think, will talk a little bit more about some of the specific agenda

and what might be accomplished in some areas of sort of lower-hanging fruit.

And then finally the question about China and the U.S.-China relationship, at least as of an hour ago – and I haven't checked again in the last few minutes – but the White House has not yet confirmed whether there is going to be a bilateral meeting between President Biden and President Xi Jinping of China. But there – all indications are that both sides are working towards such a meeting, which will be their first in-person meeting since they – since President Biden became president. Although they met before, obviously, at that, and they've met five times, I think, on teleconference or video conference.

But the big question is, you know, are the two leaders going to come in a sort of more conciliatory mode or sort of a more defiant one. And I think there's an argument on both sides that there's a case that could be made on both. I mean, they've both gotten through their political events of the year and, you know, they might come in a little more liberated for one reason or another to try to reach out and find common ground. There are the kind of global challenges that really affect both the U.S. and China – whether it's growth, or pandemics, or climate change. And so there's possibility of some kind of conciliatory approach from both sides.

But, you know, the U.S. has been continuing to move forward on the technology, controls on the October 7th measures on semiconductors, the latest example. And there's more coming. The talk about, you know, sort of the democracy versus authoritarian line is something that I think is something the president's going to probably emphasize on this trip. And then Xi Jinping, for his part, you know, has been – you know, had a coronation for a third term and, you know, most political analysts tell me that when somebody gets a mandate like that, they tend to be more assertive not less. And so I think – but who knows? Because nobody really knows what Xi Jinping is thinking.

But anyway, that's a big question around all of this, and I'm sure the one that many of you are going to be – probably end up being most interested and most focused on. So we can talk more about that. But I'll stop now and turn it over to Stephanie.

Stephanie Segal: Thanks, Matt. I'll just take a few minutes to go a bit more in detail on the global economic backdrop to this string of upcoming meetings. And as Matt said, I mean, the backdrop is one where we see slowing growth and certainly risks to the downside. And this is something that is true across all major regions. Of course, we've got COVID and the recoveries from COVID, but that recovery is one that is still taking place with one of the major growth drivers over the past two decades, still with a zero-COVID policy. So that, combined

with vulnerabilities in China's real estate sector, issues – longstanding issues with debt that are now beginning to be tackled, we see that the prospects of China being the engine for growth that it's been is certainly not on the horizon. Matt had mentioned, as well, kind of the specter of U.S.-China tensions that is certainly a factor.

As you look beyond just COVID and weakness in China, we have, of course, the impact of Russia's invasion on Ukraine and the spillover effects of that on global energy and food prices. That's a global phenomenon, but if we look more precisely at the impacts on Europe, it's clear that Europe is facing quite a challenge stemming from this energy shock. And so weakness there in Europe means that the vulnerabilities, both in China and in Europe, leaves the United States, which the U.S. growth has actually held up fairly well.

But, along with that growth, we have inflation. And a clear focus on inflation and commitment to get inflation under control has meant that we're having rate hikes and tightening financial conditions. Spillovers from that are global tightening of financial conditions and a strengthening dollar, which creates problems for many countries. And the typical venue, as Matt had said, for dealing with kind of global macro vulnerabilities, at least coming out of the last financial crisis, was the G-20.

And so traditionally I think we would expect to see the G-20 as being the venue in which leaders would be able to deal with what is a pretty bleak global macro backdrop. Thus far this year the G-20 has been challenged to deliver on that mandate, and that is, as Matt indicated, stemming from the Russian invasion of Ukraine and the fact that that has meant the G-20 hasn't really been able to function in a way that would pull together the major economies.

Coming out of the finance ministers' meeting in October, we did not have a communique, which basically just kind of underscores the point that there wasn't a consensus view that could be presented. What was presented was a chair's statement that basically acknowledged – in the first paragraph acknowledged these divisions that exist in the G-20.

I think, going into leaders, the thing that appeared after the chapeau paragraph, basically saying that there wasn't agreement, was language that is very reminiscent of how the G-20 would respond in the case of these global economic vulnerabilities.

So I think the G-20 responding to these short-term economic vulnerabilities, the mechanisms for doing so and the identification of the issues, is still very much functioning in the finance channel. And I think there's hope, going into G-20 leaders, that there can actually be presentation of a united front, and

maybe not just on these near-term issues but on some of the longer-term issues that the G-20 has come to address.

And here's where I think there can be maybe some progress on some of the longer-term issues. There is a focus in the G-20 statements on dealing with some of the global public-goods issues that were highlighted in the pandemic itself, kind of a recognition of the importance of both health and climate.

I expect that we're going to see, especially coming out of COP27, much more focus on the sustainable-development goals, as well on reforming the international financial institutions. And I would say I think this is maybe the bright spot coming out of the G-20 is that we'll have a commitment to deal with some of these longer-term structural issues, and climate in particular.

I guess one other thing to highlight when we're talking about G-20. This is, of course, Indonesia's hosting year, but as we look at the handoff from Indonesia to the next G-20 president, that will be India. And then, beyond that, it is a string of these large EM economies. So Indonesia to India; then, after India, Brazil and then South Africa. So I think the prioritization of some of these development issues on the G-20 agenda is something that will probably come through at the leaders' summit. And I think that bodes well for dealing with some of these longer-term issues that I've mentioned, both on health and climate.

Matt, let me stop there, and pass – I think it goes to Greg.

Gregory B.
Poling:

Yeah. Thank you, Stephanie. And good morning or good evening, everybody. So I'll talk in a little more detail about the first leg of the Asia part of the trip, which will be the ASEAN Summit and related summits.

So, as a reminder, the ASEAN dog-and-pony show actually runs for, I think, four days. You've got the ASEAN Summit itself, with just the members of ASEAN. Then you have all the plus-one meetings, which will include the U.S.-ASEAN Summit, where I think most of the deliverables will come from on the U.S. side. And then you cap it with the big East Asia Summit meeting, which is the 10 countries of ASEAN – or nine in this case because Myanmar won't be there – and then their eight most important dialogue partners, including the U.S.

A lot of this is symbolic – ASEAN's always symbolic – but the symbolism here does really matter. This is the first time a U.S. president will be attending the East Asia Summit since 2016, when President Obama went to the one in Laos. President Trump did attend a U.S.-ASEAN Summit but famously left before the EAS. So this is – this is really a way for the Biden administration to show that they are committed to returning to normal diplomacy, to showing up, and though it's trite, you know, to say showing up does matter

in Asia in particular. This will also build on the Special U.S.-ASEAN Summit that was held this spring, where the nine members – minus Myanmar – the nine leaders of ASEAN came to Washington, D.C. for the first time.

I think, deliverables, I don't really expect a ton. I think the big headline will be that there's going to be a formal elevation of the U.S.-ASEAN relationship to what they call a comprehensive strategic partnership. Nobody really is clear on what that means in concrete terms – how a comprehensive strategic partnership varies from what we currently have, which is a strategic partnership. But what really matters is that China got to be a comprehensive strategic partner last year and the Australians got added this year. Now, for balance, the Americans get to get elevated. So it's a sign of both the U.S. trying to make sure that it engages ASEAN and the ASEAN countries trying to make sure that they balance between the U.S. and China.

I don't expect that we're going to see a ton of new programs. I'm sure there will be a State Department fact sheet, as there always is, at the ASEAN Summit listing everything that they've talked about, but I don't think you're going to see a lot of new acronyms there. They do seem to be internalizing the criticism that they come to the summits every year and they roll out a ton of new programs and we all kind of lose track. So I think what you're going to see is a focus on the progress made in the myriad programs that have been rolled out through previous ASEAN Summits and the Special Summit and all the bilaterals. And those will be programs focused on everything – health, human security, climate change, food security, et cetera.

Behind the scenes – I mean not kind of baked into the public statements – of course, there will be a lot of discussion about the Russian invasion of Ukraine. There will be discussion about Chinese coercion around Taiwan. I don't expect that any of that will get reflected in maybe the East Asia Summit joint statement although there will be efforts by the U.S., I'm sure, to get some language about Ukraine baked into the U.S.-ASEAN joint statement. We'll see how far they can push the Southeast Asians. Certain countries like Vietnam are very hesitant to get off the fence on Ukraine, given their reliance on Russian arms in particular.

You'll also have the standard language about the South China Sea. That won't change any from the language we've seen for the last several years.

There will also be a lot of discussion about the crisis in Myanmar. Myanmar will not be represented at the summit. Neither of the junta leader, Min Aung Hlaing, nor the president of the opposition National Unity Government will be there.

Last week, the ASEAN leaders had a rather unprecedented special meeting just about Myanmar, so all nine presidents/prime ministers got together to

talk about what they do about Myanmar. They didn't come to any firm conclusions, but that discussion is set to continue this week. They're all pretty frustrated that the military junta is not implementing the five-point consensus that they reached with ASEAN last year, which was supposed to include dialogue with the opposition and a special rapporteur and humanitarian aid delivery, among other things. So I don't think they're at the point of kicking Myanmar out yet, but they're getting close, and the discussion about suspending Myanmar's membership from the organization has really moved in pretty unprecedented ways.

One of the other issues that President Biden will have to deal with is a growing chorus around the deterioration of Cambodia's human rights record. Cambodia is the host this year; it will be in Phnom Penh. We have an election in Cambodia next year. The Cambodia People's Party, that Hun Sen runs is of course going to win, partially because they're the most popular and partially because of shenanigans. The bigger problem is that the opposition is again under threat. So Hun Sen had disbanded the opposition party in 2019; he's now threatening to do the same to their successor party, and you can imagine how awkward it will be for President Biden if there's some kind of announcement in the next week or so from the Cambodian government to that effect.

Very briefly: After Cambodia, the president goes to Bali. I'll just note here that for the Indonesians as hosts this has been a pretty tough gig. I mean, they thought that the agenda was supposed to be about food security, fuel security, and post-COVID recovery, and instead, most of the year has been dominated by debates about whether or not President Biden and Putin would both attend and would they be in the same room and would that be possible? That's why President Joko of Indonesia went on that tour early this year to Kiev and then Moscow to try to help negotiate a deal. What has come out of that, it seems, is that President Zelensky will be addressing the G-20 by videoconference. President Putin still has not confirmed his attendance, but everybody expects him to be there, so I assume there will be an awkward moment where they fire up the Zoom and Putin gets up and walks out.

Matt's already addressed the debate about whether or not there will be a Biden-Xi sideline meeting about – on the sidelines of the G-20. The Indonesians will do their best to keep the discussion beyond those two circuses, focused on food and energy security, I think, and in particular, the Russian suspension and then not-suspension of the Black Sea grain deal this week throws a lot of that into question. The grain deal is supposed to expire on, I believe, November 19th, so just a few days after the G-20. So how the Russians choose to try to leverage that in the discussions will bear watching.

And I think I will not touch on APEC in Bangkok because Matt already has, and I'll turn it over to Joseph.

Joseph Majkut: Thank you, colleagues, and good morning, everyone. I'd like to talk a little bit about COP and what we expect to see out of the U.S. there.

The reality is, I think, that this is going to be a fairly challenging COP, given the context in which it's happening. It sits in the shadow of a relatively successful meeting at Glasgow. We've got a(n) energy crisis ongoing, extremely challenging in Europe but also reverberating around the world with very, very tight markets for natural gas, for oil. And the level of spending in the energy system, particularly in the West, is causing rising tensions in the developed world, which feels that it's being underfinanced for clean energy transition.

When you look at Glasgow, there's two successes that sort of hang over COP, or this COP-27 in Sharm El-Sheikh. The first is that for the – you know, after Glasgow, countries had agreed to enough ambition to limit warming below 2 C, which is the first goal of the Paris climate agreement. But that will only happen if they can all be achieved. Just this week the IEA released its most recent outlook, which in its base case sees emissions consistent with a world that will see 2.5 degree C of warming by the end of this century. That means that there's a lot more work to be done for countries to establish the policies and the financing streams and the technology necessary to reduce emissions fast enough to avoid dangerous climate change. There's a real gap in public policy reality versus the ambition that was sealed at Glasgow.

Glasgow also, for the first time – really, we saw this rise of multilateralism, side deals related to climate finance, related to just transition, related to adaptation, related to technology development which match public and private sector initiatives and coalitions of the willing. One of the positive storylines I think we'll see out of COP-27 is many of those efforts have been building over the past year; we'll see announcements about new initiatives, new targets, and the side events are really going to be probably where we see a lot of action. The formal negotiations at COP are going to be challenged. Because of the rising energy prices, the rising food prices being felt in the developing world in particular, there's going to be a lot of tension in this COP. We are already seeing the issues raised related to loss and damage, fairness and justice in how the world addresses climate change. And so any official communique that comes out of the negotiations is probably not going to resolve those issues, but we'll see a lot of tension in the negotiations.

When the president's going to be there, you know, he'll only be there for a few hours. I think that the commitment probably reflects what the U.S. expects to see out of the negotiations overall. But he will want to take

something of a victory lap. For the first time, the U.S. has some momentum on climate and a credible claim to something that looks like a climate policy. After passing the Inflation Reduction Act this summer, the president will have a package to show off. We are making a huge down payment on the clean energy transition in the United States.

It's not going to get us all the way to the president's climate goal. The president pledged before Glasgow a 50 percent emissions reduction from the United States by 2030, against the benchmarked value. Under the IRA, most projections show emissions would fall about 40 percent against the benchmarked value. So there's still a gap – ambition gap here in the United States.

So the U.S. will really want to emphasize that this down payment is going to reduce the cost of clean technology across a whole suite of place – of sectors and industries where we're going to need to see technology costs fall, and the world will need to see technologies fall. So watch for arguments that by making these investments the world's going to benefit as the U.S. buys early and brings down the cost of things like hydrogen, batteries, and other energy storage technologies – carbon capture, energy efficiency refits, and more.

There is a story – there's a positive story here. In the 2010s, the costs of batteries and solar fell precipitously. Ninety percent in a decade. Renewables and EVs are becoming the economical option in many cases, without significant public climate policy. And the administration's going to want to say, we're going to repeat those successes. The challenge to that story is going to be that the IRA also takes a very America-centric view on energy transition.

It's designed to bring manufacturing back to the United States for these clean energy technologies and wants to see the U.S. be a clean energy powerhouse. The success of solar and battery technology relied on a world that was much more open to globalization, U.S. innovation, Chinese manufacturing, public policy advancements in Europe. And I think the president's going to have to make a strong case that the world, especially emerging economies, can be a part of the process that the IRA is going to kick off.

As we look at other challenges that we're going to see raised in the COP, that split between the developed and the developing world, and emerging economies is going to be persistent across several important issues. One is the concept of loss and damage, where the risks of climate change are felt more heavily in the developing world and there is a sense that the impacts of climate, which were not caused by countries in the developing world are being unfairly foisted upon them. We know that the developing countries are going to ask for financial compensation for adaptation, as well as for supporting energy transition. The developed countries, since 2009, have

been pledging \$100 billion a year. Have struggled to meet that goal. And I think that that tension will remain throughout this COP, and probably not be solved by it.

But there are some hopeful new initiatives that we've seen over the past couple years. One is the sort of smaller, multilateral deals, just transition energy partnerships. The G-7 signed one with South Africa last year, \$8.5 billion meant to help move the South African power industry off of coal toward renewables in a way that works within the context of South Africa. And instead of dealing with the climate finance challenge at the global COP level, we hope to see a more successful articulation of these multilateral deals. The South Africans are going to announce at COP27 the plan for that – their plan for that side of the partnership, which should hopefully allow the money to see moving.

Thank you very much for your attention, and I look forward to questions.

Ms. Montfort: All right. Thank you so much, Joseph, Greg, Stephanie, and Matt. Let's jump into the Q&A. I'm going to turn it back over to our AT&T operator, Brad, to let you all know how to queue up for questions. And then Brad will start calling on folks momentarily.

Operator: Thank you.

(Gives queuing instructions.)

We can first go to Patsy Widakuswara with Voice of America.

Patsy Widakuswara: Hi. Yes. Thanks for doing this.

I have a couple of questions on APEC. Can you just share – and this goes for, you know, whoever, Matt or Greg or anybody else – can you speak on the criticism or the concern from the region that President Biden will not be attending APEC?

I mean, he's already in the region but he's going back to Washington, D.C., for a family engagement. Maybe speak about some concerns that Xi Jinping will dominate the forum with, you know, the president's absence and whether we're going to expect any kind of confrontation, perhaps, between U.S. and China. Like, we remember in 2018, which was the last APEC, the tone between Xi Jinping and Vice President Mike Pence at that time was pretty strong. There was some pretty strong rhetoric thrown about. What's your expectation this time in terms of the dynamic between Xi Jinping and Vice President Kamala Harris?

And I think Greg mentioned a little bit also in terms of how Ukraine will be part of the discussion at the ASEAN summit. Can you also speak a little bit in terms of how much it will dominate the G-20 and APEC, whether it's going to be more on the geopolitical discussions or whether it be, you know, food security or energy security? Thank you.

Mr. Goodman: I think – this is Matt. Hi, Patsy. I think there were more, like, six or seven questions in there but I'll try to take a first crack at some of that.

Look, I think the president's nonattendance at APEC, you know, is an unforced error. I think he should have found a way to be there for a few hours to reassure the region that he was committed, particularly as the U.S. is taking over the host role in 2023.

It is good that Vice President Harris is going and I think the U.S. then will be, you know, represented at a very senior level. That's good.

I think, you know, APEC – expectations should always be low for APEC to deliver anything really, you know, headline making in any given leaders meeting. But there's a lot of smaller stuff that APEC does that's useful to build kind of economic and other synapses around the region and so, you know, I think there may be some useful things that come out of this.

In terms of the dynamics – the political dynamics around it – I don't know. Obviously, it goes back to my answer to the Biden-Xi sort of approach to their meeting if it happens. You know, I think it's a question as to whether the two sides, the U.S. and China, will come into these encounters with a somewhat more conciliatory frame of mind to say that, you know, we've got a lot of differences. We've got a lot of competition in our relationship. We've got to acknowledge those and they're going to be there. But we also have areas of – where there's a mutual interest in trying to talk about some of these challenges like climate change and pandemics and so forth.

So, you know, the question is will they take that attitude or will they both come in, you know, sort of defiant and saying, you're – you know, you're not respecting our interests, you know, core or otherwise, and – you know, and we're going to sort of double down on our rhetoric and sort of defiance. I don't know how that's going to turn out. But that's, obviously, something that we should all be watching.

And I think, you know, Ukraine is, obviously, going to be a very important issue on the agenda, as it should be in all these summits, despite whatever the formal – well, first of all, there are formal reasons that Ukraine needs to be on the G-20 agenda because, you know, there is a lot of disruption being caused by that, as Stephanie said, the food and energy markets and also, you

know, we could very well be facing a, you know, humanitarian – an additional humanitarian challenge this winter in Ukraine.

And then there's a whole set of issues around reconstruction of Ukraine, and I think you might see the U.S. trying to get some broader global support for reconstruction support in Ukraine on this trip.

So it's going to be there for those reasons and that, obviously, the dynamics if Putin is in the room. I mean, I assume that that's going to be, as I think Greg said, very difficult for Indonesia to manage.

In previous meetings at the ministerial level, the way the Indonesians have handled this is they've let the Russian or they've forced the Russian representative to speak last and then allowed the U.S. and others – Europeans and Japanese and others – to walk out. That happened at the finance ministers' meeting earlier this year. And so perhaps something like that if Putin's there; but again, all speculation. I don't think it's yet been confirmed that Putin is actually going to be there, so we'll see.

I don't know if Greg wanted to add anything.

Mr. Poling: Hey, Matt, sorry. I had gotten disconnected hopping in an elevator, so I didn't actually hear the question. I only heard your answer.

Mr. Goodman: Well, there were a lot of questions. Was there something specific Patsy wanted to ask Greg on top of what I just said?

Patsy Widakuswara: Yeah. No, I mean, I think everybody still is speculating in terms of, you know, whether President Putin will show up in person or just Zoom in. And, you know, what the expectation is for the Indonesians in terms of hosting a successful summit is Putin showing up, not in person, and the Indonesians being able to give the G-7 leaders whatever it is that they need to show their displeasure, and perhaps, you know, succeeding in a Biden-Xi summit. I guess at this point nobody knows, and we're all speculating. So whatever speculations you want to add there, Greg, I'll welcome it.

Mr. Poling: Well, Patsy, I'll just – I think Matt's right. The Indonesians have managed this pretty effectively so far by kind of setting the agenda so that the people who need to walk out can walk out. At this point, frankly, I think that Jakarta just wants to get it over and done with. They – this was not what they signed up for. It's been a rough year. They want to give it to the Indians. And as long as Biden's there and Putin's – (inaudible) – in one form or another, I think Joko will consider that a win.

Operator: And next we go to Shaun Tandon with AFP. Please go ahead.

Shaun Tandon: Hi there. Thanks for doing this call.

This is not completely dissimilar from the last question, but in the context of the Party Congress in China, in Beijing, Xi Jinping coming into – coming to Southeast Asia, does that change the dynamic at all, I mean, having more – having solidified his control, even though it wasn't much of a surprise? And how do you think the U.S. deals with him? Does that change at all in terms of how to deal with him? Would you see a more assertive China on the global stage here, or will it not be the same political impulse for him? How do you see that there? Thanks.

Mr. Goodman: Greg, do you want to take first the Southeast Asia dimension of that? And then I can say something.

Mr. Poling: Yeah, I can.

I think the – you're right that this was already pretty well baked in. I mean, they'd been telegraphing it for years. So nobody in the meetings is going to be surprised that Xi is coming with a third term as the most powerful Chinese leader since Mao. They may be surprised by just how much he stuffed the standing committee with yes men.

I think that it's going to – essentially, it's going to cement priors for everybody in the room, right. So if you're the Vietnamese or the Filipinos and you believe that Xi is the most aggressive leader you've dealt with in decades and that he's increasingly erratic, then surrounding himself with yes men and consolidating power only reinforces that. If you are, you know, inclined to think that, you know, none of that matters, the most important thing is to get Chinese investment, then you're going to treat Xi just like you did before he consolidated power.

Mr. Goodman: Yeah. And I think that's right. And I was in Japan and Korea. This is Matt Goodman. I was in Japan and Korea last couple of weeks, and they definitely were not surprised that Xi Jinping got a third term. But they were, I think, a little surprised and shaken, rattled, by the appointments to the standing committee, people that either were not well known to them or were people who clearly were sort of just acolytes of President Xi, and raised a lot of questions about the direction that China is going to take in terms of its internal development, but also in terms of its external posture.

And so I think there's a lot of uneasiness and worry about the direction China is headed in the rest of the region. But as Greg also said, everybody has a huge economic stake in China. And so I think that's also a reality. And nobody wants to, you know, cut themselves off entirely from China.

But the interesting twist on that point is that, you know, there may be some reassessment. And you know, obviously, China is still the second-largest economy in the world and it's still big and important on a lot of levels – as a market and as a source of supply and base for production and so forth. All of that's still true. But the China growing at 2 or 3 percent, if that's what it's growing at or will grow at over the next several years, is not quite as powerful an economic counterpart or player as a China growing at, you know, 8-10 percent.

So I think that may change some of the assessment about how important it is to – you know, to follow every sort of mandate or dictate from Beijing. But that's – I don't want to overstate that point. I just think it's an interesting question as to whether there will be some reassessment as to, you know, the economic. Plus, seeing what U.S. is doing to sort of de facto decouple or separate, at least in the technology space. That may be changing calculations. Plus, the lockdowns, and so forth. So there are a lot of things that maybe are causing countries in the region to reassess their – even their economic relationship with China.

Ms. Segal: Could I just add one thing on that point? I think the question was referencing the fact the Xi would be coming into the meeting from a position of kind of unprecedented strength, at least since the creation of the G-20. I mentioned in my comments the economic backdrop for this, which is one of a slowing global economy, the risk of recession in some of the big, major economies. And the fact that you've got a number of low and middle-income countries that are recovering from COVID, but also facing acute debt distress. In many cases, that debt distress stems from their obligations to China.

So China's pretty central in dealing with the economic fallout from COVID. So I could see where there might be some increased pressure on China, given that you have a leader that has the power to be more constructive on the debt resolution issue, that that could be a theme that actually comes out of these meetings.

Operator: And next we can move on George Condon with National Journal.

(Gives queuing instructions.)

George Condon: Great. Thanks much.

You know, in Biden's first trips to both Europe and Asia, he stressed that the U.S. is back. And he said that they responded: Great, but for how long? He's leaving on this trip two days after an election where he almost certainly will lose at least one house of Congress. Assuming that outcome for this question, how weakened by the election will he be? And would this revive concerns in Asia about a possible return of Trump, with all that means for

alliances and the U.S. worldview? At the least, would it call into question his ability to deliver on any commitments he makes on climate?

Mr. Goodman: Well, this is Matt again, George. I'll take a first crack. But you'll – you know, on the actual politics, you'll have to, you know, talk to a real political expert. But in sort of the sense of – in terms of how you asked about the region's view of our politics, I do think, again, from having just been out there, that there is – you know, there is concern about our political dynamics here. And I think if there is a change in Congress that's significant, that may reinforce some of those concerns. There are concerns about 2024.

But on the other hand, I think you also see the very strong demand signal for U.S. engagement in the region, you know, across all domains – you know, military, and diplomatic, and economic. And I mentioned just a small example of that. The IPEF, the Indo-Pacific Economic Framework, the fact that thirteen countries have signed up means, I think, that they think the U.S. is a really critical player in the region. You know, that there's specific things the U.S. has to offer on supply chains, on clean energy. And that, you know, folks at least want to have a U.S. that is actively engaged in – you know, in these kinds of areas.

And so, you know, I think – and I'm sure that President Biden will – you know, will assert that he's in – you know, he's in a good position to execute on a lot of the things that have been done domestically, as well as, you know, in foreign policy, over the next couple years. So that should be – you know, he'll be trying, I'm sure, to reassure them of that.

So anybody else want to jump in, or should we move to the next?

Dr. Majkut: I could jump in briefly on the climate change issue. Joseph Majkut speaking.

You know, the U.S. has played – (laughs) – spoiler and critical component for success in past COPs, and I could see that reservation from our peers. Where the president has some new heft behind him is that his agenda on climate has largely been driven by Congress. The bipartisan infrastructure law has "bipartisan" in the title. The CHIPS Act had bipartisan support. And the Inflation Reduction Act was a partisan measure, but by blocking a lot of the climate policy initiatives, energy policy initiatives into the tax code, likely more durable than anything his administration is doing out of agency offices at the EPA. That's, you know, as opposed to what the Obama administration was doing, as an example. So there's probably actually a little bit more longevity to these – to this approach.

Operator: (Gives queuing instructions.)

And with no further questions queuing up, I'll hand the call back over to Paige Montfort. Please go ahead.

Ms. Montfort: All right. Thank you so much.

Well, we are approaching time, and with no more questions in the queue let's wrap things up there. As always, if you have any follow-ups or questions before, during, or after these summits, please feel free to contact me – again, I'm Paige Montfort, media relations manager here at CSIS – to schedule an interview with these four experts or any of our other scholars at CSIS, including our China Power, Freeman Chair, and Trustee Chair scholars, who couldn't make this call today. And again, we will get that transcript out ASAP.

So thanks for your time, everyone. We look forward to future briefings with you. And one final note. If you aren't on our mailing list for these briefings and would like to be, please let me know and we'll be sure to keep you updated going forward. Have a great day.

(END)